

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re: BCG Ownco, LLC

Case No.

20-12880-abl

CHAPTER 11
MONTHLY OPERATING REPORT
(GENERAL BUSINESS CASE)

SUMMARY OF FINANCIAL STATUS

MONTH ENDED: Jul-20PETITION DATE: 06/16/20

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor).
Dollars reported in \$1

2. **Asset and Liability Structure**

- a. Current Assets
- b. Total Assets
- c. Current Liabilities
- d. Total Liabilities

	<u>End of Current Month</u>	<u>End of Prior Month</u>	<u>As of Petition Filing</u>
	<u>\$0</u>	<u>\$0</u>	
a.	<u>\$1,716,660</u>	<u>\$1,716,660</u>	<u>\$1,716,660</u>
b.	<u>\$11,478,749</u>	<u>\$3,966,486</u>	
c.	<u>\$32,449,503</u>	<u>\$32,449,503</u>	<u>\$32,449,503</u>
d.			Cumulative (Case to Date)

3. **Statement of Cash Receipts & Disbursements for Month**

- a. Total Receipts
- b. Total Disbursements
- c. Excess (Deficiency) of Receipts Over Disbursements (a - b)
- d. Cash Balance Beginning of Month
- e. Cash Balance End of Month (c + d)

	<u>Current Month</u>	<u>Prior Month</u>	<u>Cumulative (Case to Date)</u>
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
a.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
b.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
c.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
d.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
e.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
			Cumulative (Case to Date)

4. **Profit/(Loss) from the Statement of Operations**5. **Account Receivables (Pre and Post Petition)**6. **Post-Petition Liabilities**7. **Past Due Post-Petition Account Payables (over 30 days)**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Cumulative (Case to Date)</u>
	<u>\$0</u>	<u>\$0</u>	<u>-</u>
	<u>\$0</u>	<u>\$0</u>	
	<u>\$11,478,749</u>	<u>\$3,966,486</u>	
	<u>\$0</u>	<u>\$0</u>	

At the end of this reporting month:

- 8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee) - **ECF #128 2020-07**
- 9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee)
- 10. If the answer is yes to 8 or 9, were all such payments approved by the court?
- 11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)
- 12. Is the estate insured for replacement cost of assets and for general liability?
- 13. Are a plan and disclosure statement on file?
- 14. Was there any post-petition borrowing during this reporting period?
- 15. Check if paid: Post-petition taxes N/A; U.S. Trustee Quarterly Fees ✓; Check if filing is current for: Post-petition tax reporting and tax returns: N/A.
(Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 08/20/20

 Responsible Individual

STATEMENT OF OPERATIONS

(General Business Case)

For the Month Ended 07/31/20

Current Month			Cumulative (Case to Date)	Next Month Forecast
<u>Actual</u>	<u>Forecast</u>	<u>Variance</u>		
Revenues:				
-	-	-	1 Gross Sales	-
-	-	-	2 less: Sales Returns & Allowances	-
-	-	-	3 Net Sales	-
-	-	-	4 less: Cost of Goods Sold (Schedule 'B')	-
-	-	-	5 Gross Profit	-
-	-	-	6 Interest	-
-	-	-	7 Other Income:	-
-	-	-	8	-
-	-	-	9	-
-	-	-	10 Total Revenues	-
Expenses:				
-	-	-	11 Compensation to Owner(s)/Officer(s)	-
-	-	-	12 Salaries	-
-	-	-	13 Commissions	-
-	-	-	14 Contract Labor	-
Rent/Lease:				
-	-	-	15 Personal Property	-
-	-	-	16 Real Property	-
-	-	-	17 Insurance	-
-	-	-	18 Management Fees	-
-	-	-	19 Depreciation	-
Taxes:				
-	-	-	20 Employer Payroll Taxes	-
-	-	-	21 Real Property Taxes	-
-	-	-	22 Other Taxes	-
-	-	-	23 Other Selling	-
-	-	-	24 Other Administrative	-
-	-	-	25 Interest	-
-	-	-	26 Other Expenses:	-
-	-	-	27	-
-	-	-	28	-
-	-	-	29	-
-	-	-	30	-
-	-	-	31	-
-	-	-	32	-
-	-	-	33	-
-	-	-	34	-
-	-	-	35 Total Expenses	-
-	-	-	36 Subtotal	-
Reorganization Items:				
-	-	-	37 Professional Fees	-
-	-	-	38 Provisions for Rejected Executory Contracts	-
-	-	-	39 Interest Earned on Accumulated Cash from Resulting Chp 11 Case	-
-	-	-	40 Gain or (Loss) from Sale of Equipment	-
-	-	-	41 U.S. Trustee Quarterly Fees	-
-	-	-	42	-
-	-	-	43 Total Reorganization Items	-
-	-	-	44 Net Profit (Loss) Before Federal & State Taxes	-
-	-	-	45 Federal & State Income Taxes	-
-	-	-	46 Net Profit (Loss)	-

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

BALANCE SHEET
(General Business Case)
For the Month Ended 07/31/20

Assets

		<u>From Schedules</u>	<u>Market Value</u>
1	Cash and cash equivalents - unrestricted		-
2	Cash and cash equivalents - restricted		-
3	Accounts receivable (net)	A	-
4	Inventory	B	-
5	Prepaid expenses		-
6	Professional retainers		-
7	Other: _____		-
8			-
9	Total Current Assets		-
	Property and Equipment (Market Value)		
10	Real property	C	1,716,660
11	Machinery and equipment	D	-
12	Furniture and fixtures	D	-
13	Office equipment	D	-
14	Leasehold improvements	D	-
15	Vehicles	D	-
16	Other: _____	D	-
17		D	-
18		D	-
19		D	-
20		D	-
21	Total Property and Equipment		1,716,660
	Other Assets		
22	Loans to shareholders		-
23	Loans to affiliates		-
24			-
25			-
26			-
27			-
28	Total Other Assets		-
29	Total Assets		1,716,660

NOTE:

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

Liabilities and Equity
(General Business Case)

Liabilities From Schedules

Post-Petition

Current Liabilities

30	Salaries and wages	-
31	Payroll taxes	-
32	Real and personal property taxes	-
33	Income taxes	-
34	Sales taxes	-
35	Notes payable (short term)	-
36	Accounts payable (trade)	A
37	Real property lease arrearage	-
38	Personal property lease arrearage	-
39	Accrued professional fees	-
40	Current portion of long-term post-petition debt (due within 12 months)	-
41	Other: <u>DIP Line of Credit</u>	10,156,269
42	<u>Payments on pre-petition debt by MPR</u>	1,322,480
43		
44	Total Current Liabilities	<u>11,478,749</u>

Long-Term Post-Petition Debt, Net of Current Portion

45	Total Post-Petition Liabilities	<u>11,478,749</u>
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Pre-Petition Liabilities (allowed amount)

47	Secured claims	F	20,946,056
48	Priority unsecured claims	F	24,698
49	General unsecured claims	F	-
50	Total Pre-Petition Liabilities		<u>20,970,754</u>
51	Total Liabilities		<u>32,449,503</u>

Equity (Deficit)

52	Retained Earnings/(Deficit) at time of filing	(32,449,503)
53	Capital Stock	
54	Additional paid-in capital	
55	Cumulative profit/(loss) since filing of case	-
56	Post-petition contributions//(distributions) or (draws)	
57		
58	Market value adjustment	1,716,660
59	Total Equity (Deficit)	<u>(30,732,843)</u>
60	Total Liabilities and Equity (Deficit)	<u>1,716,660</u>

SCHEDULES TO THE BALANCE SHEET **(General Business Case)**

Schedule A

Accounts Receivable and (Net) Payables

Receivables and Payables Agings	Accounts Receivable [Pre and Post Petition]	Accounts Payable [Post Petition]	Past Due Post Petition Debt
0 -30 Days	-	-	
31-60 Days	-	-	
61-90 Days	-	-	
91+ Days	-	-	
Total accounts receivable/payable	-	-	
Allowance for doubtful accounts	-		
Accounts receivable (net)	-		

Schedule B

Inventory/Cost of Goods Sold

<u>Types and Amount of Inventory(ies)</u>	<u>Inventory(ies)</u> <u>Balance at</u> <u>End of Month</u>	<u>Cost of Goods Sold</u>
Retail/Restaurants - Product for resale	_____	Inventory Beginning of Month Add - Net purchase _____ Direct labor _____ Manufacturing overhead _____ Freight in _____ Other: _____
Distribution - Products for resale	_____	Less - Inventory End of Month _____ Shrinkage _____ Personal Use _____
Manufacturer - Raw Materials Work-in-progress Finished goods	_____ _____ _____	Cost of Goods Sold _____
Other - Explain	_____	
TOTAL	-	

Method of Inventory Control

Do you have a functioning perpetual inventory system?

How often do you take a complete physical inventory?

Weekly

Monthly

Quarterly

Semi-annually

Annually

Date of last physical inventory was _____

Date of next physical inventory is

Inventory Valuation Methods

Indicate by a checkmark method of inventory used.

Valuation methods -

FIFO cost

LIFO cost

Lower of cost or market

Retail method

Return Other

Other

Schedule C
Real Property

Description	Cost	Market Value
Approximately 7.59 acres of vacant industrial land, commonly known as 1800 White Lane, Bakersfield, California; APN: 405-330-18-00-0.	na	1,716,660
Fee simple assessed value from tax records.	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
Total		1,716,660

Schedule D
Other Depreciable Assets

Description	Cost	Market Value
Machinery & Equipment -	-	-
	-	-
	-	-
	-	-
	-	-
Total		-
Furniture & Fixtures -	-	-
	-	-
	-	-
	-	-
	-	-
Total		-
Office Equipment -	-	-
	-	-
	-	-
	-	-
	-	-
Total		-
Leasehold Improvements -	-	-
	-	-
	-	-
	-	-
	-	-
Total		-
Vehicles -	-	-
	-	-
	-	-
	-	-
	-	-
Total		-

Schedule E
Aging of Post-Petition Taxes
(As of End of the Current Reporting Period)

Taxes Payable	<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91+ Days</u>	<u>Total</u>
Federal					
Income Tax Withholding	-	-	-	-	-
FICA - Employee	-	-	-	-	-
FICA - Employer	-	-	-	-	-
Unemployment (FUTA)	-	-	-	-	-
Income	-	-	-	-	-
Other (Attach List)	-	-	-	-	-
Total Federal Taxes	-	-	-	-	-
State and Local					
Income Tax Withholding	-	-	-	-	-
Unemployment (UT)	-	-	-	-	-
Disability Insurance (DI)	-	-	-	-	-
Empl. Training Tax (ETT)	-	-	-	-	-
Sales	-	-	-	-	-
Excise	-	-	-	-	-
Real property	-	-	-	-	-
Personal property	-	-	-	-	-
Income	-	-	-	-	-
Other (Attach List)	-	-	-	-	-
Total State & Local Taxes	-	-	-	-	-
Total Taxes	-	-	-	-	-

Schedule F
Pre-Petition Liabilities

List Total Claims For Each Classification -	Claimed Amount	Allowed Amount (b)
Secured claims (a)	32,424,805	32,424,805
Priority claims other than taxes	-	-
Priority tax claims	24,698	24,698
General unsecured claims	-	-

(a) List total amount of claims even if under secured.
 (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

Schedule G
Rental Income Information
Not applicable to General Business Cases

Schedule H
Recapitulation of Funds Held at End of Month

	<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>	<u>Account 4</u>
Bank				
Account Type				
Account No.				
Account Purpose				
Balance, End of Month				
Total Funds on Hand for all Accounts	-			

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**Increase/(Decrease) in Cash and Cash Equivalents****For the Month Ended 07/31/20**

		Actual Current Month	Cumulative (Case to Date)
Cash Receipts			
1	Rent/Leases Collected	-	-
2	Cash Received from Sales	-	-
3	Interest Received	-	-
4	Borrowings	-	-
5	Funds from Shareholders, Partners, or Other Insiders	-	-
6	Capital Contributions	-	-
7		-	-
8		-	-
9		-	-
10		-	-
11		-	-
12	Total Cash Receipts	-	-
Cash Disbursements			
13	Payments for Inventory	-	-
14	Selling	-	-
15	Administrative	-	-
16	Capital Expenditures	-	-
17	Principal Payments on Debt	-	-
18	Interest Paid	-	-
19	Rent/Lease:	-	-
20	Personal Property	-	-
	Real Property	-	-
21	Amount Paid to Owner(s)/Officer(s)	-	-
22	Salaries	-	-
23	Draws	-	-
24	Commissions/Royalties	-	-
25	Expense Reimbursements	-	-
26	Other	-	-
27	Salaries/Commissions (less employee withholding)	-	-
28	Management Fees	-	-
29	Taxes:	-	-
30	Employee Withholding	-	-
31	Employer Payroll Taxes	-	-
32	Real Property Taxes	-	-
33	Other Taxes	-	-
34	Other Cash Outflows:	-	-
35		-	-
36		-	-
37		-	-
38	Total Cash Disbursements:	-	-
39	Net Increase (Decrease) in Cash	-	-
40	Cash Balance, Beginning of Period	-	-
41	Cash Balance, End of Period	-	-